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October 9, 2002

VIA FEDERAL EXPRESS

Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001
Attn: Ms. Barbara Sadler

RECORDATION NO. 24170-A FILED

OCT 10 '02 11-53 AM

SURFACE TRANSPORTATION BOARD



Re: Filing of Memorandum of Commercial Security Agreement between
The Bank of Edwardsville and Midwest Railcar Corporation
(Purchase of Gondolas under Lease to Protrade Steel Corporation, Ltd.)

Dear Ms. Sadler:

Enclosed for recordation as a secondary document to the Memorandum of Lease dated September 4, 2002 filed on this date under separate cover, pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) originals of a Memorandum of Commercial Security Agreement, as defined in the Board's Rules for the Recordation of Documents for filing.

The names and addresses of the parties to the enclosed document are:

Lender:	The Bank of Edwardsville 330 West Vandalia Edwardsville, IL 62025
Grantor:	Midwest Railcar Corporation 3 Professional Park Drive, Suite B Maryville, Illinois 62062

A description of the railroad equipment covered by the enclosed documents is:

Surface Transportation Board
May 15, 2002
Page 2

MILES & STOCKBRIDGE P.C.

Eleven (11) 400 c.f. Thrall Built flat-bottom Gondolas, AAR Car Type Code J301 bearing car marks and numbers as listed on the attached Schedule of Railcars to said Memorandum of Commercial Security Agreement.

A short summary of the document to appear in the index follows:

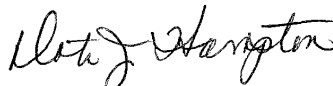
Memorandum of Commercial Security Agreement between Midwest Railcar Corporation, as Lender and Midwest Railcar Corporation., as Lessee covering Eleven (11) 400 c.f. Thrall Built flat-bottom Gondolas, AAR Car Type Code J301 bearing car marks and numbers as listed on the attached Schedule of Railcars to said Memorandum of Commercial Security Agreement.

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board to cover the required recordation fee.

Please kindly return stamped copies of the enclosed document to the undersigned at the above-listed address.

Also, please call (410) 385-3423 to confirm your receipt of the enclosed items.

Very truly yours,



Doti J. Hampton
Legal Assistant

Enclosures

RECORDATION NO. 24170-A FILED

OCT 10 '02 11-53 AM

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF COMMERCIAL SECURITY AGREEMENT

BETWEEN

**THE BANK OF EDWARDSVILLE
("LENDER")**

AND

**MIDWEST RAILCAR CORPORATION
("GRANTOR")**

September 30, 2002

Memorandum of Commercial Security Agreement made and entered into as of September 30, 2002, by and between The Bank of Edwardsville, an Illinois corporation ("Lender"), and Midwest Railcar Corporation, an Illinois corporation ("Grantor").

WITNESSETH:

To secure all obligations of the Grantor under a certain Commercial Security Agreement dated as of September 30, 2002 (the "Security Agreement"), and that certain Promissory Note dated September 30, 2002, Grantor hereby assigns to Lender all of Grantor's rights, title and interest in, the railcars set forth and described on the Schedule of Railcars attached hereto (the railcars on the aforementioned Schedule of Railcars shall hereinafter be called the "Railcars"), as such Schedule of Railcars may be amended from time to time, and grants to Lender a first priority security interest in: (i) the Railcars; (ii) Grantor's interest in accessions, accessories, equipment, appurtenances and replacement and added parts appertaining or attached to any of the Railcars owned or hereinafter acquired, and all substitutions, renewals or replacements of and additions, improvements, accessions and accumulations to any of the Railcars, together with all the rents, issues, income, profits, proceeds and avails therefrom and the proceeds thereof; (iii) all proceeds and all present and future evidences of rights to payment, (including, without limitation, insurance and indemnity payments) due or to become due to Grantor on account of the lease, sale, loss or other disposition of the Railcars; (iv) that certain Rider 2 dated effective September 13, 2002 which incorporates by reference that Full Service Lease Agreement dated effective January 28, 2002 by and between Grantor (as Lessor) and ProTrade Steel Company, Ltd. (as Lessee), and any additional Equipment Riders and schedules thereto (together, the "Lease") and all bills of sales or other similar documents, agreements and instruments relating to the Railcars, and all other leases, chattel paper, agreements, accounts, bank or deposit accounts and instruments relating to the Railcars, whether now existing or hereafter arising (collectively, the "Documentary Security" or "Security Documentation"), together with all of Grantor's estate, right, title, interest, claims and demands in, to and under such documents, agreements and instruments including all extensions of any of the terms thereof, together with all rights, powers, privileges, options, and other benefits of Grantor including without limitation the right to receive notices, give consents, exercise any election or option, declare defaults and demand payments thereunder, and (v) all rent, damages and other moneys from time to time payable to or receivable by Grantor under the Documentary Security (the Railcars, Documentary Security, proceeds, rights, claims and causes of action described in items (i) through (v) above being herein sometimes collectively called the "Collateral"), to have and to hold all and every part of the Collateral unto Lender, and its successors and assigns, for its and their own use and benefit forever.

This Memorandum of Commercial Security Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but together only one Memorandum of Commercial Security Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

THE BANK OF EDWARDSVILLE, as Lender

By: Allen Barlow

Title: Vice President

Date: 9-30-02

MIDWEST RAILCAR CORPORATION,
as Grantor

By: _____

Title: _____

Date: _____

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

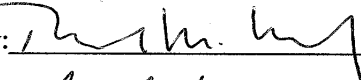
THE BANK OF EDWARDSVILLE, as Lender

By: _____

Title: _____

Date: _____

MIDWEST RAILCAR CORPORATION,
as Grantor

By: 

Title: President

Date: 10-3-02

STATE OF Illinois)
) ss.
COUNTY OF Madison)

On this 3 day of October 2002, before me personally appeared William D. Barlow, to me personally known, who being by me duly sworn, says that he is the Vice President of The Bank of Edwardsville, that the foregoing instrument was signed on behalf of said national banking association, and he acknowledged that the execution of the said instrument was his free act and deed.



Sandra A. Sachs
NOTARY PUBLIC

My commission expires: 9-13-05

STATE OF _____)
) ss.
COUNTY OF _____)

On this ____ day of October, 2002, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the _____ of Midwest Railcar Corporation, an Illinois corporation that the foregoing instrument was signed on behalf of Midwest Railcar Corporation, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC

My commission expires: _____

STATE OF _____)
) ss.
COUNTY OF _____)

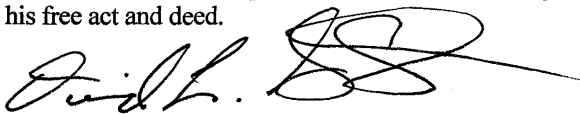
On this ____ day of October, 2002, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the _____ of The Bank of Edwardsville, that the foregoing instrument was signed on behalf of said national banking association, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC

My commission expires: _____

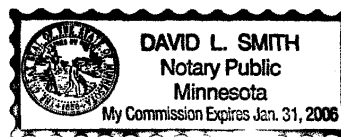
STATE OF Minnesota)
) ss.
COUNTY OF Sherburne)

On this 3 day of October, 2002, before me personally appeared Richard M. Murphy III, to me personally known, who being by me duly sworn, says that he is the President & CEO of Midwest Railcar Corporation, an Illinois corporation that the foregoing instrument was signed on behalf of Midwest Railcar Corporation, and he acknowledged that the execution of the said instrument was his free act and deed.



NOTARY PUBLIC

My commission expires: 1-31-06



SCHEDULE OF RAILCARS

Eleven (11), 4,000 Cu ft. Thrall Railcars with the following marks and numbers:

MWCX100012
MWCX100013
MWCX100015
MWCX100016
MWCX100017
MWCX100018
MWCX100019
MWCX100020
MWCX100021
MWCX100022
MWCX100023